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CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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COUNTRY International

SUBJECT Petroleum Production/UK Railways

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3. France's foreign trade gap was halved during January-September, 1953, compared with the same nine months of last year:-

\$ Billion	1st Nine Months		% Change
	1953	1952	
Imports	2.360	2.750	-14
Exports	1.860	1.700	+9
Deficit	.500	1.050	-52

4. A program for the modernization of British Railways, including the expenditure of £11 million on diesel shunting locomotives, was announced in the House of Commons recently.
5. In southeastern Sicily, Gulf Oil Corp. has tested heavy 12-16° gravity crude in its Ragusa 1 wildcat. The oil was obtained from formations believed to be the Jurassic at around 6,000 ft. The well is being carried deeper and at last reports was drilling below 6,500 ft.

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6. The Soviet administrative organization which controls the production and sale of petroleum in Austria has undertaken to deliver 19,560 b/d of petroleum products for sale in Austria during 1954. This total, which will be almost sufficient to cover the country's needs, is made up as follows:

Motor fuel	3,690 b/d
Gas oil	3,800
Fuel oil	10,000
Paraffin	570
Bitumen	500
Special oils	1,000

7. Reports from Austria suggest that the Soviet Oil Administration has ceased from exploratory activities. It is stated that all seismic investigations have been stopped, and that test drilling on the Czechoslovak border at Augern and Ravensburg, together with exploration at Adorf, has been suspended. The official reason for this cessation of activity is that the Austrian market is already amply supplied and that export possibilities are insufficiently promising. Unofficial comment, however, interprets it as a sign of the withdrawal of Soviet forces in the not-too-distant future.
8. Crude oil production in Saudi Arabia averaged 851,727 b/d in October, an increase of 15,792 b/d over September. Average production for the first ten months of 1953 has been 846,334 b/d. Crude runs at Ras Tanura were 173,843 b/d in October, considerably below the 206,592 b/d ten-month 1953 average.
9. Anglo-Iranian has started laying two 19-mile pipelines - one 16" and the other 6" in diameter - which will join its 100,000 b/d Aden refinery to its international bunkering installation. Over 40,000 b/d of four grades of oil will be handled.
10. Kuwait, one of the smallest countries in the world, has just become the ninth country to reach the billion barrel cumulative oil production category, accomplishing this remarkable achievement in a shorter time - less than eight years - than any of its eight predecessors. A comparison showing the time taken by each of the nine countries to produce a billion barrels is shown below:

Rumania	1857-1943	87 years
Indonesia	1893-1941	49 "
Russia	1863-1905	43 "
United States	1859-1900	42 "
Iran	1913-1940	28 "
Mexico	1901-1923	23 "
Venezuela	1917-1934	18 "
Saudi Arabia	1936-1951	16 "
Kuwait	1946-1953	8 "

11. American Independent Oil Co. has completed its fourth well in the Wafra field for about 4,500 b/d. It is located one mile north of the discovery well in the Kuwait-Saudi Arabia Neutral Zone. Construction of gathering, pipeline, and terminal facilities is proceeding and it is anticipated that crude will move to the company's midwater terminal at Mina Abdulla, Kuwait, by January 1st.
12. Construction of a products pipeline from Durban to Johannesburg is under consideration. Initial estimates place the cost at about \$25 million, including a branch line to the gold fields in the Orange Free State. High railroad freight rates on petroleum are considered as justifying the project.
13. A plan has been submitted to the Japanese Government under which the equivalent of \$28 million would be spent over a 5-year period in an effort to increase Japanese oil production. The goal would be 17,300 b/d. Existing fields would increase their output from the present level of about 6,000 b/d to 7,300 b/d. Secondary recovery would add another 2,000 b/d, leaving 8,000 b/d to be produced from new fields.

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